

## Virginia Supplemental Rebate Contracting Process – Phase II – April 2004

The Department of Medical Assistance Services (DMAS) will be implementing a Phase II of the Preferred Drug List (PDL) program as outlined in the 2003 Appropriations Act in April 2004. The Department has decided to seek Virginia specific contracts for pricing and supplemental rebates directly with manufacturers. Manufacturers are encouraged to provide supplemental rebate offers for consideration by the Commonwealth of Virginia.

The following therapeutic classes of drugs have been selected by the Pharmacy and Therapeutics Committee to discuss on November 11, 2003 for PDL inclusion:

- Oral Hypoglycemics (excludes 1st gen.)
- Leukotriene Modifiers
- Bisphosphonates
- NSAIDs
- Serotonin Receptor Agonists
- Prostaglandin Inhibitors
- Oral Antifungals
- Carbonic Anhydrase Inhibitors - Ophth
- Alpha 2 Adrenergics - Ophth
- Beta-blockers - Ophth

The Department has set the following deadlines regarding Phase II:

**Tuesday November 11th:** P&T Committee Meeting to review the 10 therapeutic classes for PDL eligibility for April 2004 implementation

**Wednesday November 12<sup>th</sup>:** Information relating to the classes that the P&T Committee found PDL eligible will be posted to the DMAS website on November 12th. A comprehensive package with instructions will be sent electronically to manufacturers by First Health Services Corporation.

**Friday December 5<sup>th</sup>:** Manufacturers' final supplemental rebate offers must be submitted to First Health Services by close of business. The Department expects to receive best and final offers by this date.

**Tuesday, January 6, 2004:** P&T Committee meeting to determine which drugs will require a prior authorization. This begins the final contracting period with the pharmaceutical companies.

**Wednesday February 4<sup>th</sup>:** All manufacturer-executed supplemental rebate contracts must be received by First Health Services by close of business. Should the final contract not be received at this time, previous offers will be considered rescinded in conjunction with this activity.

**Week of February 9<sup>th</sup>:** P&T Committee meeting to review any necessary PDL changes and give their final approval of the PDL after close of contract deadline. We may look at new classes or review certain drug classes for July 2004 implementation.

**Monday, March 1<sup>st</sup>:** Final PDL posted on the DMAS website. This will be the official start date of all rebate contracts – i.e., when supplemental rebates begin to accrue.

**Monday, April 5, 2004:** Implement prior authorization requirement for drugs that were not selected to be on the PDL for this phase of drug classes.

If you have any questions, regarding the PDL process, please contact [pdlinput@dmass.state.va.us](mailto:pdlinput@dmass.state.va.us)

All correspondence and inquiries regarding pricing and contracting should be directed to:

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